THIS AMENDMENT: 000007 Passed Passed as amended by Failed Not Offered Withdrawn

GLEASON PROPOSED AMENDMENT #2

DATE PREPARED: June 27, 2007

Arizona Corporation Commission DOCKETED

LOCG

JUN 27 2007

COMPANY:

Arizona Water Company

DOCKET NOs:

W-01445A-03-0559

OPEN MEETING DATES: June 26 and 27, 2007

AGENDA ITEM: U-12

DOCKETED BY

Page 3, line 17, after "Cornman." STRIKE remainder of line

Page 3, STRIKE lines 18 through 26 and INSERT:

"While we recognize that these circumstances were beyond Arizona Water's control, they are immaterial to our determination of whether or not Arizona Water complied with the condition in Decision No. 66893 requiring the Company to file a copy of the CAWS for the Florence Country Estates development. Moreover, the Analysis of Assured Water Supply that ADWR issued for the EJR Ranch development, which covered the area in which the Florence Country Estates development is located, does not satisfy the condition in Decision No. 66893 requiring the submission of a CAWS for the Florence Country Estates development. We therefore find that, for the purposes of compliance, this condition on Arizona Water's CC&N extension was not fulfilled."

Page 17, lines 1 and 2

STRIKE: "significantly outweigh"

INSERT: "are significantly outweighed by"

Page 17, STRIKE lines 3 through 28

Page 18, STRIKE lines 1 through 12

Page 18, line 14:

STRIKE: "have been fulfilled"

INSERT: "have not been fulfilled because the Company failed to submit a CAWS for

the Florence Country Estates development within the time specified"

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Page 18, line 15, after "is" INSERT "not"

Page 18, STRIKE lines 24 and 25

Page 18, line 28, after "have" INSERT "not"

Page 19, line 2

STRIKE: "is hereby extended to the date of this Decision"

INSERT "shall not be extended"

Page 19, between lines 2 and 3, INSERT a new ordering paragraph to read:

"IT IS FURTHER ORDER that Decision No. 66893 is hereby deemed null and void."

Make all conforming changes